

Decision No. 54956

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
CARL L. and LAURA J. DAMSEN, a private-) )  
ly owned company, for a certificate of ) )  
public convenience and necessity to ) )  
operate a public utility water system ) )  
and to establish rates for water ) )  
service in an unincorporated area ) )  
north and west of Porterville, ) )  
California, known as Tract No. 239, ) )  
in Tulare County. ) )

Application No. 38345

Carl L. Damsen and R. C. Soultz, for applicant.  
W. B. Stradley, for the Commission staff.

O P I N I O N

This application was filed on August 17, 1956, and amended on September 20, 1956. Public hearing was held at Porterville before Examiner Power on October 16, 1956. The matter was submitted on that date subject to receipt of certain information. Such information was received on April 1, 1957, and the matter is ready for decision.

Applicants seek a certificate to construct and operate a public utility water system in Tract No. 239 of Tulare County and five acres adjoining it on the northeast. This tract lies north of Porterville and immediately west of the new freeway, State Highway 65. There are to be 52 lots in the two parcels which comprise a total of approximately 30 acres in area.

The water supply for this system is to be obtained from a well approximately 180 feet deep, equipped with a deep-well turbine pump directly connected to a 15 horsepower electric motor. A 2,500-gallon pressure tank will be located at the well. The system will be designed to deliver a total of 240 gallons per minute against about 50 pounds per square inch pressure in the distribution mains.

The distribution system will consist of about 3,500 feet of 4-inch diameter dipped and wrapped welded steel pipe. Service connections will be 1-inch in diameter. Applicant estimates that the over-all cost of the system will be \$11,946.03.

With two qualifications the application will be granted. The first qualification relates to the adequacy of the water supply, the second to the proposed rates.

The water supply proposal as contained in the application does not meet the maximum requirement of General Order No. 103. It is at least 160 gallons per minute short of what is needed. The following order will state requirements in terms of the General Order.

The applicants proposed a basic flat rate of \$4.25 for a one-inch service. This is higher than the prevailing rates charged by comparable utilities in the San Joaquin Valley. The following order will authorize the rates that do compare. Other rates will be adjusted to conform to the basic flat rate.

The Commission finds and concludes: (1) that public convenience and necessity require that the sought certificate be granted; (2) that a water supply of not less than that required under General Order No. 103 for the area and potential number of customers involved in this application should be provided; (3) that the rates attached to the following order are fair and reasonable.

The certificate granted in and by the following order is subject to the following provision of law:

That the Commission shall have no power to authorize the capitalization of this certificate of public convenience and necessity or the right to own, operate

or enjoy such certificate of public convenience and necessity for any amount of money in excess of the amount (exclusive of any tax or annual charge) actually paid to the State as consideration for the issuance of such certificate of public convenience and necessity or right.

O R D E R

The above-entitled application having been considered, a public hearing having been held, the matter having been submitted and now being ready for decision,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to Carl L. and Laura J. Damsen, doing business as Damsen Water Company, to construct and operate a public utility system for the distribution and sale of water within the territory hereinbefore described and as shown on Exhibit A attached to the application.

IT IS FURTHER ORDERED as follows:

1. (a) Applicants are authorized to file after the effective date of this order the rates set forth in Appendix A attached to this order to be effective on or before the date service is first furnished to the public, together with rules and tariff service area map acceptable to this Commission and in accordance with the requirements of General Order No. 96. Such rates, rules and tariff service area map shall become effective on five days' notice to the Commission and to the public after filing as hereinabove provided.
- (b) Applicants shall notify this Commission, in writing of the date service is first furnished to the public under the rates and rules authorized herein, within ten days thereafter.
- (c) Applicants shall file within forty days after the system is placed in operation under the rates and rules authorized herein four copies of a comprehensive map, drawn to an indicated scale not smaller than 200 feet to the inch, delineating by appropriate markings the tract of land and territory served; the principal water production, storage

and distribution facilities; and the location of the various water system properties of applicant.

- (d) Applicants shall base the accruals to depreciation upon spreading the original cost of the plant, less estimated net salvage and depreciation reserve, over the estimated remaining life of the property; applicants shall review the accruals when major changes in plant composition occur and for each plant account at intervals of not more than five years. Results of these reviews shall be submitted to this Commission.

2. Before the date service is first furnished to the public, applicants shall provide water supply facilities capable of producing sufficient water to furnish service within the area certificated herein in a manner which shall fully meet the requirements for flat rate service as specified by this Commission's General Order No. 103. At least ten days before commencing service, applicant shall notify the Commission in writing of the completion of the installation of such facilities, together with a brief description thereof including such items as the size and depth of the well developed, the quantity of water obtainable therefrom, the size in horsepower of the pumping unit installed and capacity in gallons per minute against distribution system pressure, and the limits of the operating pressures of the system.

3. Applicants shall not extend their water system outside of the boundaries of the area herein certificated without further order of the Commission.

IT IS FURTHER ORDERED that Application No. 38345, except as specifically granted herein, be and it is denied without prejudice.

The authorization herein granted will expire if not exercised within one year from the date hereof.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 7<sup>th</sup> day of May, 1957.

[Signature]  
President

[Signature]

[Signature]

[Signature]

[Signature]  
Commissioners

Schedule No. 1

GENERAL METERED SERVICE

APPLICABILITY

Applicable to all metered water service.

TERRITORY

The unincorporated area including Tract No. 239 adjacent to State Highway 65 approximately 1½ miles northwest of the City of Porterville, Tulare County.

RATES

Quantity Rates:	<u>Per Meter per Month</u>
First 1,000 cu.ft. or less .....	\$ 3.00
Next 2,000 cu.ft., per 100 cu.ft.....	.20
Next 2,000 cu.ft., per 100 cu.ft.....	.18
Next 5,000 cu.ft., per 100 cu.ft.....	.15
Over 10,000 cu.ft., per 100 cu.ft.....	.12
 Minimum Charge:	
For 5/8 x 3/4-inch meter .....	\$ 3.00
For 3/4-inch meter .....	3.50
For 1-inch meter .....	4.50
For 1-1/2-inch meter .....	7.00
For 2-inch meter .....	10.00

The Minimum Charge will entitle the customer to the quantity of water which that minimum charge will purchase at the Quantity Rates.

APPENDIX A  
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## Schedule No. 2R

RESIDENTIAL FLAT RATE SERVICEAPPLICABILITY

Applicable to all residential water service furnished on a flat rate basis.

TERRITORY

The unincorporated area including Tract No. 239 adjacent to State Highway 65, approximately 1½ miles northwest of the City of Porterville, Tulare County.

RATES

	<u>Per Service Connection per Month</u>
For a single family residence, including premises not exceeding 9,000 sq.ft. in area .....	\$3.75
a. For each 100 sq.ft. of area in excess of 9,000 sq.ft.....	.03
b. For each evaporative-type cooler, in addition to regular flat rates, during the 6-month period May through October:	
Circulating type .....	.25
Noncirculating type .....	.50

SPECIAL CONDITIONS

1. The above residential flat rate charges apply to service connections not larger than one inch in diameter.
2. All service not covered by the above classification will be furnished only on a metered basis.
3. Charges for air coolers will apply as provided above except in those cases where the customer notifies the utility in writing which months during the above period any air cooler will not be in service, and provided that such unit is disconnected during said months subject to inspection by utility representatives.
4. A meter may be installed at option of utility or customer for above classification in which event service thereafter will be furnished only on the basis of Schedule No. 1, General Metered Service. When a meter is installed at option of customer, metered service must be continued for at least 12 months before service will again be furnished at flat rates.